PROCEEDINGS OF THE LAFAYETTE PUBLIC POWER AUTHORITY MEETING OF THE CITY-PARISH OF LAFAYETTE, STATE OF LOUISIANA, TAKEN AT A SPECIAL MEETING OF DECEMBER 17, 2002.

ATTENDANCE

COUNCIL: Louis C. Benjamin, Jr. (Chair - District 4), Jerry Trumps (Vice Chair - District 6), Bobby Badeaux (District 1), Robert Castille (District 2), Chris Williams (District 3), Lenwood Broussard (District 5), Marc Mouton (District 7), Randy Menard (District 9)

ABSENT: Rob Stevenson (District 8)

COUNCIL STAFF: Norma Dugas (Clerk of the Council), Veronica Williams (Assistant Clerk of the Council) and Anne Patin (Senior Administrative Assistant)

ADMINISTRATIVE STAFF: Walter S. Comeaux, Jr. (City-Parish President), Glenn Weber (CAO), Becky LaLumia (Associate CAO/Finance Management), Terry Huval (Utilities Director), Steve Dupuis (Legal Counsel)

COMMENCEMENT

(TAPE 1)(SIDE A)(319) AGENDA ITEM NO. 1: Call to order.

Chair Louis C. Benjamin, Jr. called the Special Lafayette Public Power Authority Meeting of December 17, 2002 to order.

RESOLUTIONS

(TAPE 1)(SIDE A)(321) <u>AGENDA ITEM NO. 2</u>: <u>R-LPPA-131</u> A resolution of the Lafayette Public Power Authority authorizing the Lafayette City-Parish President to execute the attached master coal purchase and sale agreement on behalf of the Lafayette Public Power Authority, motion to adopt by Williams, seconded by Menard, and the vote was as follows:

YEAS: Castille, Williams, Benjamin, Trumps, Mouton, Menard

NAYS: None

ABSENT: Badeaux, Broussard, Stevenson

RECUSED: None

Motion was unanimously approved.

Huval explained that this is a two-year contract providing coal at a cost that is greater than what is being paid today (\$1,200,000 more) but 3% less than what the current market is for coal. Coal plants have a special characteristic in that, when you are using a particular type of coal and the plant is operating properly, you want to have some real significant benefits to start changing from that. Since LUS was getting a price better than the market it was an appropriate contract to get into. That coal unit is the lowest cost producing power plant LUS has available to Lafayette and it is inperative that a coal supply is used that is reliable.

ADJOURN

(TAPE 1)(SIDE A)(373) There being no further business to come before the Lafayette Public Power Authority, Chair Benjamin declared the LPPA meeting adjourned.

NORMA A. DUGAS CLERK OF THE COUNCIL